

**Illinois Department of Revenue  
Regulations**

<b>Title 86 Part 691 Section 691.101 Nature of the Salem Civic Center Service Occupation Tax</b>
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**TITLE 86: REVENUE**

**PART 691  
SALEM CIVIC CENTER SERVICE OCCUPATION TAX**

**Section 691.101 Nature of the Salem Civic Center Service Occupation Tax**

a) Authority to Impose Tax

The Authority is authorized by Section 11.5 of the Salem Civic Center Law [70 ILCS 335/11.5] (the Law) to impose a tax, the Salem Civic Center Service Occupation Tax, on all persons engaged, in the metropolitan area, in the business of making sales of service at the same rate of tax imposed pursuant to Section 11.5(b) of the Law of the selling price of all tangible personal property transferred by such serviceman either in the form of tangible personal property or in the form of real estate as an incident to such sale of service. If imposed, such tax shall only be imposed in 1/4% increments at a rate not to exceed 1%. The tax imposed by the Authority under the Law and this Part, and all civil penalties that may be assessed as an incident thereof, shall be collected and enforced by the Illinois Department of Revenue (Department).

b) Passing on the Tax

Servicemen are required to collect the Salem Civic Center Service Occupation Tax (when applicable) from purchasers of service in conformance with the requirements of the Service Occupation Tax Regulations (86 Ill. Adm. Code 140). The legal incidence of the Salem Civic Center Service Occupation Tax is on the serviceman. Nevertheless, the General Assembly has authorized persons subject to any tax imposed pursuant to the authority granted in the Salem Civic Center Use and Occupation Tax Law to reimburse themselves for their Salem Civic Center Service Occupation Tax liability by separately stating such tax as an additional charge, which charge may be stated in combination, in a single amount, with State tax which servicemen are authorized to collect under the Service Use Tax Act (35 ILCS 110/1 *et seq.*), pursuant to such bracket schedules as the Department has prescribed (see 86 Ill. Adm. Code 150. Table A).

c) Exclusion from "Cost Price"

Any amount added by a serviceman to the selling price of tangible personal property as an incident to service because of a Salem Civic Center Service Occupation Tax, or because of the Illinois Service Occupation Tax (35 ILCS 115/1 *et seq.*), the Home Rule Municipal Service Occupation Tax (65 ILCS 5/8-11-5), the Non-Home Rule Municipal Service Occupation Tax (65 ILCS 5/8-11-1.4), the Metro East Mass Transit District Service Occupation Tax (70 ILCS 3610/5.01), the Regional Transportation Authority Service Occupation Tax (70 ILCS 3615/4.03) or the County Water

Commission Service Occupation Tax (70 ILCS 3720/4(c)), shall not be regarded as a part of the selling price which is subject to such Salem Civic Center Service Occupation Tax.